

November 21, 2005

Mr. Greg Conigliaro New England Compounding Center 697 Waverly Street Framingham, MA 01702

Regarding:

Cleanroom Facilities At Framingham, MA without HVAC Included.

Revision #2

Dear Mr. Conigliaro:

In response to your comments of November 21, 2005, concerning the Liberty Industries proposal of November 18, 2005, *Liberty Industries, Inc.* is pleased to present a revised proposal which includes:

An increased personnel anteroom size.

A change in scope to supply and install branch electrical equipment to a load center on the cleanroom wall.

Liberty Industries will provide one (1) cleanroom facility, in which is included an ISO 6 or 7 cleanroom, an ISO 7 personnel anteroom, an ISO 7 freight buffer room and an ISO 8 freight anteroom, as herein defined and as shown on the enclosed floor plan. The rooms will be certified as built, prior to installation of customer supplied equipment in strict accordance with ISO Standard 14644-1 and the enclosed technical specifications. The total price for this project with an ISO 6 cleanroom is Three Hundred Fifty Two Eight Thousand, Six Hundred Thirty Dollars (\$352,630.00). The total price for this project with an ISO 7 cleanroom is Three Hundred Twenty Three Thousand, Two Hundred Thirty Seven (\$323,237.00).

E-Mail Address: libind@liberty-ind.com Web Address: www.liberty-ind.com

[■] Fan Filter Units

The above quotation includes the following major items and services:

Room Criteria

Cleanliness Class - Cleanroom ISO 6 or 7, as required

- Personnel Anteroom ISO 7 - Freight Anteroom ISO 8

- Freight Buffer Room ISO 7

Pressurization

Cleanroom approximately 0.07 inches of water above pressure directly outside the cleanroom. Antercoms approximately .03 inches of water above pressure directly

outside the cleanroom

Project Management

The method of installation is intended to provide a cleanroom facility with minimum participation by the customer during the construction phase. The price quoted by *Liberty Industries* includes full design, engineering, project management, cleanroom components, and installation as noted below:

- 1. Engineer and design the facility.
- 2. Develop complete architectural and equipment floor plan drawings along with partial mechanical and electrical drawings, as required.
- 3. Furnish and install an architectural and electrical enclosure capable of maintaining desired design criteria, except as herein noted.
- 4. Supply all labor, except as herein noted. Labor is supplied to occur during a forty (40) hour work week during regular business hours.
- 5. Provide on-site supervision during construction. If there is an interruption in the construction phase, additional supervision will be evaluated.
- 6. Provide certification.
- 7. Warranty the room for one (1) year from start-up (see attached).

On this project New England Compounding Center (NECC) will, at their expense:

- 1. Perform all demolition necessary to provide a clear area for the cleanroom.
- 2. Receive, store and safeguard all materials and equipment used in the installation. Note that you may need a fork lift or other equipment to remove the materials from the delivery truck.
- 3. Allow for continuous working schedule and a minimum of forty (40) hours during the week, plus weekend time, if required.

- Provide material and labor for installation of client equipment to be utilized within the cleanroom.
- 5. Provide all trade and building permits, as necessary. Added costs for Liberty Industries to supply documentation and or services to support the permit applications will be invoiced to NECC.
- 6. Provide fees for Professional Engineering services if signed and sealed drawings are required to obtain permits.
- 7. Provide for all fees and taxes.
- 8. Provide dumpsters for removal of debris.
- 9. Provide all required supplies and labor to supply air to and return air from the facility as required to maintain air changes, temperature, humidity, and pressure.
- 10. Provide electrical power to a load center mounted on the cleanroom wall.
- 11. Provide and install all fire protection.

The following are the conditions our proposal was based on:

- Liberty Industries has not included design fees for structural evaluation of the NECC facilities, nor has Liberty Industries included material and labor to reinforce the NECC building structure, if necessary. Costs to incorporate evaluation and/or construction of support structures, if required, will be quoted and invoiced as a separate item.
- Liberty Industries contracted labor used to build this facility will not be at "prevailing" wage or with union labor unless specified in writing by NECC.
- Liberty Industries contracted labor used to build this facility will not be required to meet any special labor requirements unless specified in writing by NECC.
- Liberty Industries has not allotted time for special classes or training which may be required of the labor in order to work at NECC. Costs will be invoiced based on time required.
- Liberty Industries may use qualified local labor and/or subcontractors who would be recommended and approved by NECC in the construction of the cleanroom. Where contractors with special cleanroom related skills are required, Liberty Industries will utilize its own sources.
- Liberty Industries will not be doing demolition or preparation of the

cleanroom floor.

- This quotation is based on clear and unobstructed access in and around the designated cleanroom area.
- No permits or fees, which may be required, are included in the quotation.
- Liberty Industries shall test the facility's compliance with ISO Standard 14644-1 "as built" through the following tests:
 - 1. Particle Counts
 - 2. HEPA Filter Leak Test
 - 3. HEPA Filter Face Velocity
 - 4. Room Pressurizations with Respect to Ambient

If "at rest" certification is required, NECC must have all equipment in the place, in the cleanroom within one calendar week of completion of the construction of the room. NECC is responsible to insure the equipment is clean and in cleanroom compatible condition.

- Note all tests shall be performed by an independent testing agency.
- If any of the previous conditions are not met, and/or changed, *Liberty*Industries will up-charge the customer for any necessary changes to the cleanroom facility.
- Liberty Industries shall provide three (3) copies of an Operations and Maintenance Manual including as built drawings.

Total elapsed time, from receipt of purchase order and receipt of first progress payment to estimated turn-over:

Engineering and Design 1 1/2 to 2 weeks
Procurement of Equipment 4 to 6 weeks
Construction 5 to 6 weeks
Total Time 10 1/2 to 14 weeks

Due to fluctuations in backlog, actual delivery dates cannot be assigned until an order is received, or appropriate drawings are returned to us approved. Lead times are based on our current backlog and may be different when order is placed.

Liberty Industries requires progress payments of 10% with Purchase Order, 30% upon issue of approval drawings, 20% upon shipment of materials (materials en route), 30% upon cleanroom completion and certification (cleanroom turned over for customer use) and 10% Net 30 days. All equipment and materials will be shipped to NECC F.O.B. shipping point, freight collect or pre-pay and add. Please note all payments terms are subject to the terms and conditions as shown on Attachment A (enclosed) and, as such,

are included as part of this quotation.

Please refer to the technical section of this proposal for additional information and further definition of the inclusions.

We thank you for the opportunity of submitting this proposal and hope it will merit your favorable consideration. Should there by any questions, or if we can be of further service, please do not hesitate to call.

Respectfully yours,

Doug Hall National Sales Manager

New England Compounding Center proposed Cleanroom Facility Without HVAC Control REVISION #2

I. Introduction

All construction work will be done in accordance with *Liberty's* final design drawings and specifications after they have been submitted to, and approved by NECC. NECC will identify a project co-coordinator who will be authorized by NECC to work directly with Liberty Industries through the life of the project.

A revised sketch A of the proposed floor plan is attached. This revision increases the size of the personnel anteroom.

II. Architectural

Cleanroom Wall System Construction and Material

A. Construction

Wall system components shall assemble into a rigid structure with anodized aluminum vertical mullion seaming. All units shall be readily removable for demountable system capability.

B. Wall Panels

The wall panels shall be 3.0" thick. They shall be vinyl coated over 1/4" thick hardboard with a polystyrene core and with a white finish. Standard panels units shall finish 48" wide, whenever possible.

C. Extruded Framework

The anodized aluminum extruded framework shall be spaced 48" on center, and as required, for proper framing of doors and windows. Each wall support shall form a vertical raceway for electrical outlets, telephone wires or computer cables as required. Raceways have a removable cover plate for easy access.

D. Doors

Five steel single passage doors of hollow metal construction with half lites are included. Doors shall be complete with frames, door sweeps, and door closers. Two of the doors will employ standard passage sets and three of the doors will employ panic bars.

Two interlocked rollup doors will allow for passage in to and out of the freight anteroom. A single 6 foot sliding door will be used to access the cleanroom from the freight buffer room.

E. Windows

4' x 3' windows are included along the three (3) hallway walls, other than the locations of the return air chases.

Ceiling Construction and Materials

A. Construction

Ceiling system components shall assemble into a rigid 2' x 4' lay-in modular system 9 feet above finished floor.

B. Grid System

An integral grid system suitable for walkable ceiling applications shall consist of 2" wide white tees and anodized aluminum wall angles. Closed cell urethane foam gasket material shall be applied to all tee bars and wall angles. The main tees of the ceiling grid will support rows of safety grating covering roughly 50 % of the ceiling area. Sketch B attached depicts the coverage. The ceiling grid is supported by an array of threaded rod and Unistrut as shown on sketch C and the safety grating will be positioned on top of the 4" high main tees. Sketch D is attached to enhance the explanation of the design concept.

C. Lav-In Ceiling Panels

Ceiling panels shall be Class 100 construction with a vinyl faced aluminum foil surface. Panels shall be 2' x 4', whenever possible, for lay-in installation. All panels shall be held in place with hold down clips in order to compress the gasket and ensure room pressure control.

D. <u>Suspension System</u>

The entire grid network shall be supported throughout with threaded rod and turn buckles as to maintain a maximum deflection of 1/360th of the span of the ceiling. Supplemental structural steel shall be provided, as required, to meet this criteria.

III. Mechanical

A. <u>Cleanroom Design</u>

The total air flow through the approximately 3,500 square feet of flow area shall be 31,000 CFM if the cleanroom is class ISO 7 and 69,000 CFM if the cleanroom is class ISO 6 and provide laminar flow throughout the cleanroom.

IV. Mechanical Scope

A. Primary Supply Distribution

The primary air supply for the facility shall be supplied through the HEPA filter modules. Liberty Industries will work with NECC's mechanical contractor to assist in the design of the supply and return air system to assure the required quantity of air changes occur in the cleanroom facility.

B. <u>HEPA Filter Modules</u>

The HEPA filter blower modules (47 each for the ISO 7 cleanroom facility or 105 each for the ISO 6 cleanroom facility) shall have a minimum efficiency of 99.99% and be factory scanned and certified.

C. Return Air Plenum

All air shall be returned from the room to the HVAC system by use of low wall transfer grilles.

V. Electrical

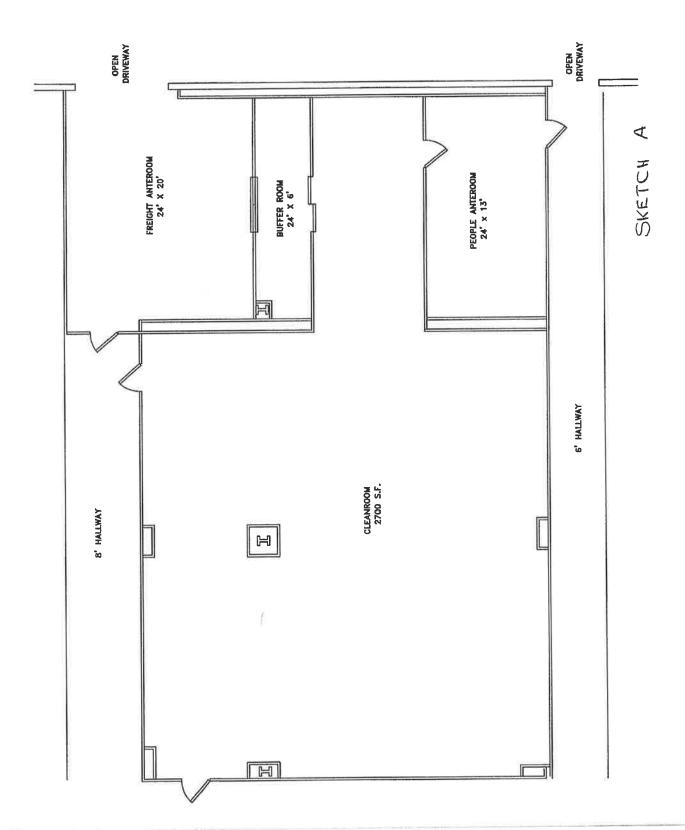
A. Liberty shall design, furnish and install a wiring system for the new facility, light fixtures, and fan filter units. Liberty will supply and install wiring to these components from a load center located on the cleanroom wall. Any special dedicated process electric services are by the owner. Forty-six (46) convenience/utility outlets and four (4) light switches are presently included.

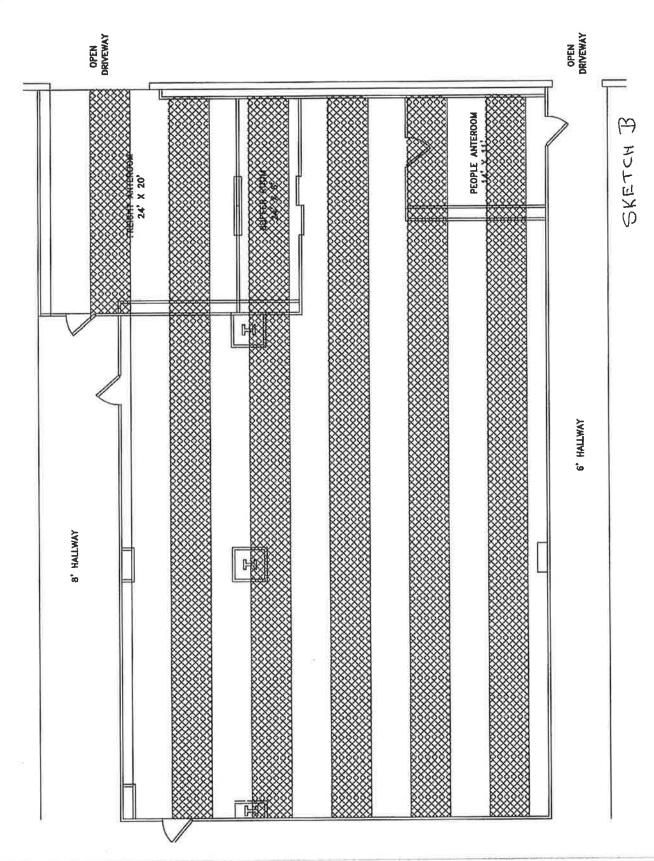
B. <u>Lighting</u>

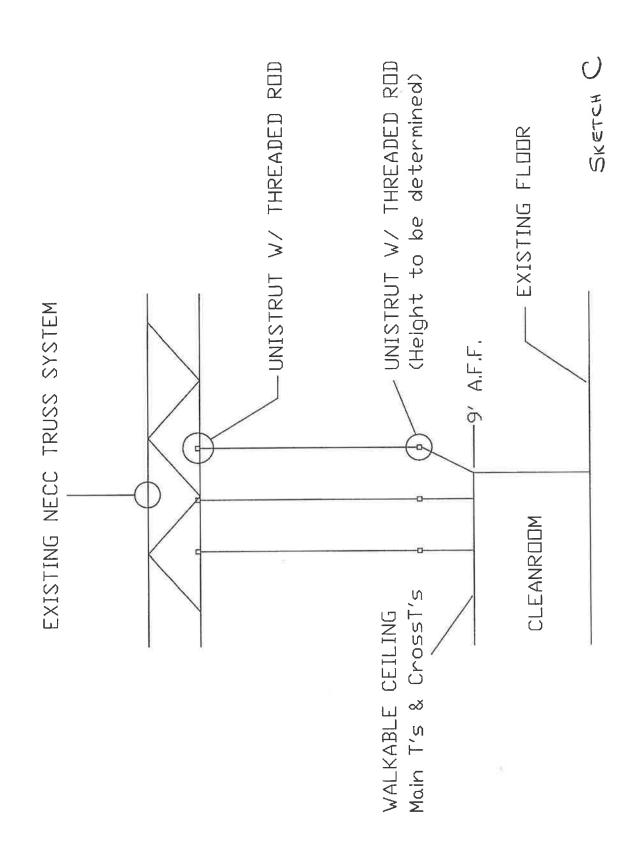
The four (4) bulb 2'x4' flush mounted cleanroom light fixtures shall provide 100 foot candles of illumination at 30" above finished floor. The fixtures shall be 120 volt, single phase, 60 cycle.

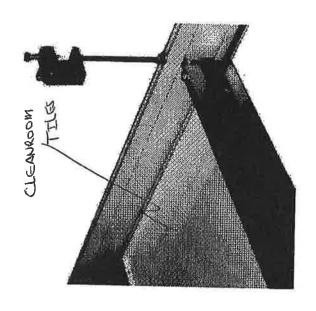
C. Power Source

NECC shall provide a power supply to a load center located on the cleanroom wall. All down-stream distribution for light troffers, fan filter units and approximately fortysix (46) duplex outlets from that point shall be by *Liberty*.



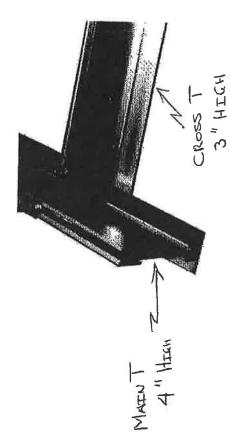












ATTACHMENT A LIBERTY INDUSTRIES, INC. The Cleanroom People

CONDITIONS: Past due accounts will be subject to a service charge of 1.5% per month. The buyer agrees that in the event of default by nonpayment of his overdue account, will be liable for collection charges, including reasonable attorneys' fees.

TAXES: Taxes related to the sale of merchandise by Liberty Industries, Inc. are the sole responsibility of the purchaser. No tax is charged by Liberty Industries, Inc. or responsible to be paid to Liberty Industries, Inc.

RETURNS: No equipment may be returned for credit without first receiving permission from *Liberty Industries, Inc.* to do so. All requests should be addressed to the company at 133 Commerce Street, East Berlin, Connecticut 06023. If approval is granted, a 15% return handling charge, 10% restocking charge, and freight will be made during the warranty period to cover inspection, testing, special handling and accounting expenses. **NO** returns on custom manufactured goods will be allowed.

POSTPONEMENT of DELIVERY or CANCELLATION: A postponement of delivery dates of strictly standard merchandise on order may be arranged only with approval of the Liberty Industries, Inc. main office at 133 Commerce Street, East Berlin, Connecticut. Such postponements will not exceed forty-five (45) days from the original date of shipment. The company considers all orders received as firm commitments and, as such, not subject to cancellation. Cancellation of any orders will not be accepted until specifically approved by the President of Liberty Industries, Inc. If approved, cancellations will be subject to a cancellation charge of 25% or, in the case of manufactured goods, the cost of time, including engineering and material, which has been put into the specific job to date. No cancellations will be allowed on custom manufactured goods or special ordered merchandise, which has been either purchased or put into production. On those items for which prepayments have been received, an internal credit will be issued to your account, no cash refund. Seller does not issue cash refunds. Credit towards future purchases will be issued upon Seller's approval of merchandise returns. We hereby certify that these goods were produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and the regulations and orders of the United States Department of Labor issued under Section 14 thereof.

All quotations and agreements are contingent upon strikes, accidents, fires, availability of materials and all other causes beyond our control. Prices are based on cost and conditions existing on date of quotation and are subject to change by the Seller before final acceptance.

Freight shall be FOB Shipping Point, prepaid and add, or collect. If special requirements are required for Common Carrier shipments, such as a truck with a lift gate, it is the responsibility of the buyer to inform seller at time of order.

Typographical and stenographic errors subject to correction. The purchaser agrees to accept either overage or shortage, not in excess of 10% to be charged pro-rata. The purchaser assumes liability of patent and copyright infringement when goods are made to Purchasers specifications. When quotation specifies material to be furnished by the Purchaser, ample allowance must be made for reasonable spoilage and material must be suitable quality to facilitate efficient production.

Conditions not specifically stated herein will be governed by established trade customs. Terms inconsistent with those stated herein which may appear on Purchaser's formal order will not be binding on the Seller.

For: 888 - 820 - \$583 508,820,9760